



**Gujarat Narmada Valley
Fertilizers & Chemicals Limited**

CIN : L24110GJ1976PLC002903



(An ISO 14001 & OHSAS 18001 Company)

P.O. Narmadanagar - 392 015, Dist. Bharuch, Gujarat, India
Ph (02642)247001, 247002
Website www.gnfc.in

NO. SEC/BD/SE/Q-3/
February 11, 2019

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Dy General Manager
BSE Ltd.
Corporate Relationship Dept
1st Floor, New Trading Ring,
Rotunda Bldg
PJ Towers, Dalal Street, Fort
Mumbai-400 001

The Manager
Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza,
C-1, Block - "G",
Bandra-Kurla Complex, Bandra (E)
Mumbai – 400 051

Co. Code: BSE - "500670"

Co. Code: NSE- "GNFC EQ"

Sub : Furnishing of Unaudited Financial Results for Third Quarter / Nine
Months ended 31st December, 2018

Dear Sir,

In pursuance to Regulations 30 & 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we send herewith the Unaudited Financial Results of the company for the Third Quarter / Nine Months ended 31st December, 2018, as approved by the Board in its meeting held today i.e. on 11th February, 2019, along with Limited Review Report on the said Results by the Statutory Auditors of the company.

We request you to kindly take note of the above.

Thanking you,

Yours faithfully,

For GUJARAT NARMADA VALLEY FERTILIZERS & CHEMICALS LTD


T.J. LAKHMAPURKAR
COMPANY SECRETARY & GM (LEGAL)

ENCL : A : A :

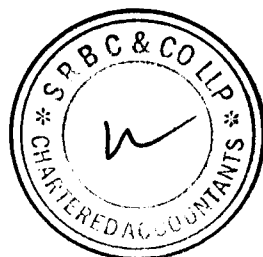
**Review Report to
The Board of Directors
Gujarat Narmada Valley Fertilizers & Chemicals Limited**

1. We have reviewed the accompanying statement of unaudited standalone Ind AS financial results of Gujarat Narmada Valley Fertilizers & Chemicals Limited (the 'Company') for the quarter ended December 31, 2018 and year to date from April 01, 2018 to December 31, 2018 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Regulations"), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 (the "Circular").
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS) 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015, as amended, read with the Circular is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulations, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to Note 3 and 4 to the financial results regarding management's evaluation, about significant uncertainties relating to collection of dues from the government, recognised as subsidies receivable in the previous years. Due to such uncertainties, the management has written off unrealized subsidies receivable amounting to ₹ 127.38 crore during the quarter ended June 30, 2018 and has not recognised subsidy income of ₹ 23.23 crore (including ₹ 6.79 crore for the current quarter) for the current period. Our conclusion is not modified in this matter.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration number: 324982E/E300003



per Ravi Bansal
Partner
Membership No.: 49365
Place: Mumbai
Date: February 11, 2019





GUJARAT NARMADA VALLEY FERTILIZERS & CHEMICALS LIMITED							
STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS							
FOR THE QUARTER AND NINE MONTHS ENDED ON 31ST DECEMBER, 2018							
(Rs. In Crores)							
Sr No	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31-12-2018	30-09-2018	31-12-2017	31-12-2018	31-12-2017	31-03-2018
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
I	Revenue from operations (Refer Note 4 & 5)	1,219.16	1,641.16	1,590.89	4,465.08	4,152.22	5,916.59
II	Other income	74.70	41.07	33.54	148.71	90.46	141.52
III	Total income (I + II)	1,293.86	1,682.23	1,624.43	4,613.79	4,242.68	6,058.11
IV	Expenses						
	(a) Cost of raw materials consumed	687.38	773.24	643.39	2,142.47	1,617.46	2,383.19
	(b) Purchase of stock-in-trade	5.28	7.29	4.15	16.19	43.50	45.02
	(c) Purchase of goods and services of IT division	14.17	16.57	14.42	37.05	71.19	101.63
	(d) Change in inventories of finished goods, work-in-progress and stock-in-trade	(60.67)	(33.58)	6.04	(153.72)	(14.28)	2.89
	(e) Power, fuel and other utilities	199.13	248.80	231.55	682.99	643.84	887.99
	(f) Employee benefits expenses	128.59	109.38	95.72	364.56	289.48	394.96
	(g) Excise Duty	-	-	-	-	79.28	79.28
	(h) Finance costs	0.49	1.30	22.62	5.44	85.66	99.71
	(i) Depreciation and amortisation expenses	66.00	65.57	68.30	198.28	203.63	270.47
	(j) Other expenses (Refer Note 3)	165.35	147.75	167.33	612.16	502.20	631.00
	Total expenses (IV)	1,205.72	1,336.32	1,253.52	3,905.42	3,521.96	4,896.14
V	Profit before tax (III - IV)	88.14	345.91	370.91	708.37	720.72	1,161.97
VI	Tax expense (Refer Note 6 & 7):						
	a) Current Tax	17.53	86.72	137.38	210.89	266.76	383.70
	b) Deferred Tax	3.73	(2.12)	5.65	(16.23)	(6.58)	(11.25)
	c) Excess tax provision written back	(98.84)	(35.02)	-	(133.86)	-	-
	Total Tax expense (VI)	(77.58)	49.58	143.03	60.80	260.18	372.45
VII	Net Profit for the period (V - VI)	165.72	296.33	227.88	647.57	460.54	789.52
VIII	Other Comprehensive Income:						
	Income / (Expense) that will not be reclassified to profit or loss in subsequent						
	(i) Re-measurement gain / (loss) on defined benefit plans (net of tax)	(9.31)	3.87	(5.78)	(26.80)	(19.87)	(26.72)
	(ii) Net gain / (loss) on FVTOCI equity investments (net of tax)	64.39	(25.19)	44.81	(7.65)	101.31	(12.88)
	Total Other Comprehensive Income / (Expense):	55.08	(21.32)	39.03	(34.45)	81.44	(39.60)
IX	Total Comprehensive Income for the period (VII + VIII)	220.80	275.01	266.91	613.12	541.98	749.92
X	Paid up equity share capital (Face Value of Rs 10/- per Equity Share)	155.42	155.42	155.42	155.42	155.42	155.42
XI	Other equity excluding revaluation reserves						4,302.56
XII	Earnings Per share (Face value of Rs. 10/- each) (not annualised)						
	For continuing operations						
	(a) Basic (Rs.)	10.66	19.06	14.66	41.67	29.63	50.80
	(b) Diluted (Rs.)	10.66	19.06	14.66	41.67	29.63	50.80

See accompanying notes to the financial results



GNFC

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GUJARAT NARMADA VALLEY FERTILIZERS & CHEMICALS LIMITED							
SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER AND NINE MONTHS ENDED ON 31ST DECEMBER, 2018							
(Rs. in Crores)							
Sr No	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31-12-2018 (Unaudited)	30-09-2018 (Unaudited)	31-12-2017 (Unaudited)	31-12-2018 (Unaudited)	31-12-2017 (Unaudited)	31-03-2018 (Audited)
I	Segment Revenue :						
	A. Fertilizers	437.25	564.94	463.92	1,421.26	1,262.14	1,743.62
	B. Chemicals	752.79	1,037.12	1,085.93	2,949.00	2,761.00	3,987.29
	C. Others	29.12	39.10	41.04	94.82	129.08	185.68
	Total	1,219.16	1,641.16	1,590.89	4,465.08	4,152.22	5,916.59
	Less: Inter Segment Revenue	-	-	-	-	-	-
	Sales / Income from Operations	1,219.16	1,641.16	1,590.89	4,465.08	4,152.22	5,916.59
II	Segment Results : {Profit/ (Loss) before Tax & Finance Cost from each segment}						
	A. Fertilizers (Refer Note 3 & 4)	(44.31)	15.26	2.16	(175.41)	(4.38)	(40.46)
	B. Chemicals	83.94	308.07	390.48	818.71	834.32	1,335.33
	C. Others	3.76	6.93	5.29	13.22	23.50	32.89
	Total	43.39	330.26	397.93	656.52	853.44	1,327.76
	Less : (i) Finance Cost	0.49	1.30	22.62	5.44	85.66	99.71
	(ii) Other Unallocable Expenditure	4.81	(3.64)	2.56	18.86	67.32	94.35
	(iii) Unallocable Income	(50.05)	(13.31)	1.84	(76.15)	(20.26)	(28.27)
	Total Profit Before Tax	88.14	345.91	370.91	708.37	720.72	1,161.97
III	Segment Assets & Segment Liabilities:						
	Segment Assets:						
	A. Fertilizers	2,360.07	2,498.33	2,595.67	2,360.07	2,595.67	2,481.23
	B. Chemicals	2,806.37	2,852.67	2,869.53	2,806.37	2,869.53	2,823.20
	C. Others	221.80	247.99	218.76	221.80	218.76	240.79
	D. Unallocated assets	2,030.70	1,926.84	1,739.20	2,030.70	1,739.20	1,628.08
	Total Assets	7,418.94	7,525.83	7,423.16	7,418.94	7,423.16	7,173.30
	Segment Liabilities:						
	A. Fertilizers	1,262.94	1,339.45	1,159.89	1,262.94	1,159.89	1,180.95
	B. Chemicals	368.11	419.26	348.58	368.11	348.58	287.34
	C. Others	135.26	137.32	108.63	135.26	108.63	150.42
	D. Unallocated Liabilities	722.05	920.02	1,556.02	722.05	1,556.02	1,096.61
	Total Liabilities	2,488.36	2,816.05	3,173.12	2,488.36	3,173.12	2,715.32

See accompanying notes to the financial results



Notes :

- 1 The above unaudited standalone financial results of the Company have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, (as amended).
- 2 The above standlaone financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on February 11, 2019. The Statutory Auditors of the Company have carried out a 'limited review' of these results.
- 3 In terms of subsidy notification no. 12012/1/2015-FPP dated May 25, 2015 read with subsidy notification no. 12012/3/2010-FPP dated April 2, 2014 of Department of Fertilizers, Ministry of Chemicals & Fertilizers, Government of India, the Company, based on the eligibility criteria in the notification, had recognised the subsidy income of Rs. 127.38 crores relating to compensation for additional fixed cost during the financial period April 1, 2014 to March 31, 2018. The aforesaid claim for the said subsidy was neither acknowledged nor paid by the Department of Fertilizer till date. Accordingly, during the earlier quarter ended June 30, 2018, the Company had written off the unrealized subsidy income of Rs. 127.38 crores already recognised in the books for the earlier years and has adjusted the receivables in the books. The management based on the evaluation believes that there is uncertainty to realise the said subsidy claims from the government in terms of the above notifications considering that substantial time has elapsed since the subsidy became initially due to the Company and authorities have not acknowledged the Company's claim.
- 4 The Company has decided not to recognise additional fixed cost subsidy income for the period April 1, 2018 to December 31, 2018 amounting to Rs. 23.23 crores (including Rs 6.79 crores for the current quarter) in terms of the notifications no. 12012/1/2015-FPP dated May 25, 2015 read with subsidy notification no. 12012/3/2010-FPP dated April 2, 2014 of Department of Fertilizers, Ministry of Chemicals & Fertilizers, Government of India due to uncertainty to realise the said subsidy claims from the Ministry of Chemicals and Fertilizers (Department of Fertilizers)for the reason stated in note 3 above.
- 5 According to the requirements of Schedule III of the Companies Act 2013, sales for the period up to June 30, 2017, and earlier periods presented in these financial results are inclusive of excise duty. Consequent to applicability of Goods and Service Tax (GST) w.e.f. July 1, 2017, sales are shown net of GST in accordance with requirements of Ind AS-115 'Revenue from contracts with customers'. The Sales net of Excise Duty/GST for all periods is as given below:

Particulars	(Rs in Crore)					
	Quarter Ended			Nine Months Ended		Year Ended
	31-12-2018	30-09-2018	31-12-2017	31-12-2018	31-12-2017	31-03-2018
Revenue From Operations (Gross)	1,219.16	1,641.16	1,590.89	4,465.08	4,152.22	5,916.59
Less: Excise Duty	-	-	-	-	84.36	84.36
Revenue From Operations (Net)	1,219.16	1,641.16	1,590.89	4,465.08	4,067.86	5,832.23

- 6 The Company makes tax provision as per the Income Tax Act, 1961. During the current period, April 1, 2018 to December 31, 2018, tax provision is made as per normal provisions of Income Tax Act. During the previous years, tax provision was made as per Minimum Alternate Tax (MAT) as per the provisions of section 115JB of the Income Tax Act. On account of utilization of MAT credit of Rs. 66.39 crores, cash outflow for tax expenses for the period, April 1, 2018 to December 31, 2018 would be lower to that extent.



- 7 Excess tax provision written back during the period April 1, 2018 to December 31, 2018 of Rs. 133.86 crores (including Rs 98.84 crores for the current quarter) represents adjustment of current tax provision of earlier years as per the books compared to tax liability acknowledged in respective year's income tax return / assessed tax liabilities.
- 8 Employees' Provident Fund Trust of the Company (GNFC-EPFT) is holding investments aggregating to Rs. 41 Crore in various long term secured/unsecured listed debt securities issued by IL&FS Group. In view of uncertainties regarding recoverability of such investment, during the current quarter the Company has, as a matter of prudence, made a provision of Rs. 10.25 Crore i.e. 25% of the total investment of Rs.41 Crore, towards probable incremental employee benefit liability that may arise on the Company on account of any likely shortfall of the GNFC-EPFT in meeting its obligations.
- 9 During the current quarter, manufacturing facilities of the Company had undergone planned annual shutdown for the period of 27 days. Hence the figure for the current quarter is not comparable with the earlier periods to that extent.
- 10 Ind AS 115 Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after April 1, 2018, replaces existing revenue recognition requirements. Under the modified retrospective approach there were no significant adjustments required to the retained earnings at April 1, 2018. Also, the application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the financial results.
- 11 Previous periods' figures have been regrouped wherever necessary.

For and on behalf of the Board of Directors,

**Place : Gandhinagar
Date : February 11, 2019**


**M S Dagur
Managing Director**